

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF HAWAII

In the Matter of the)

PUBLIC UTILITIES COMMISSION)

DOCKET NO. 2008-0273

Instituting a Proceeding to)
Investigate the Implementation)
Of Feed-in Tariffs.)
_____)

FINAL STATEMENT OF POSITION

BY

HAWAII HOLDINGS, LLC,
DOING BUSINESS AS FIRST WIND HAWAII

and

CERTIFICATE OF SERVICE

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PUBLIC UTILITIES
COMMISSION

Of Counsel:

CARLSMITH BALL LLP

GERALD A. SUMIDA
TIM LUI-KWAN
NATHAN C. NELSON
ASB Tower, Suite 2200
1001 Bishop Street
Honolulu, Hawaii 96813
Tel. No. (808) 523-2500

Attorneys for Hawaii Holdings, LLC,
Doing Business as First Wind Hawaii

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BY

HAWAII HOLDINGS, LLC,
DOING BUSINESS AS FIRST WIND HAWAII

TO THE HONORABLE PUBLIC UTILITIES COMMISSION OF THE STATE OF HAWAII:

HAWAII HOLDINGS, LLC, doing business as First Wind Hawaii, a Delaware limited liability company ("First Wind"), respectfully submits its Final Statement of Position with respect to the proposals for feed-in tariff designs, policies and pricing procedures submitted in this docket, pursuant to the Commission's Order Approving the HECO Companies' Proposal Procedural Order, As Modified, filed on January 20, 2009 (the "Order"). First Wind notes that there have not been any submissions or developments in this docket since its filing of its initial Statement of Position that have caused First Wind to change its position stated in its initial Statement of Position. First Wind therefore reaffirms its position stated in its initial Statement of Position, but respectfully reserves its right to further elaborate its responses in future submissions in this docket as may be appropriate if any substantially new developments occur in this docket that affect, or could likely affect, First Wind.

I. THE FEED-IN TARIFF PROPOSAL, IN ITS PRESENT FORM, EXCLUDES FIRST WIND'S WIND ENERGY PROJECTS IN HAWAII

As First Wind stated in its initial Statement of Position, First Wind is involved in the development, ownership and operation, through its affiliates, of large-scale wind energy projects and sells the electric energy generated to the electric utility involved. First Wind's existing 30 megawatt ("MW") Kaheawa Wind Power Project on Maui and its current projects under development -- a 21 MW wind energy project on Maui, a 30 MW wind energy project on Oahu, and a 350 MW wind energy project on Molokai -- illustrate the nature of First Wind's wind energy development initiatives. First Wind does not plan to develop any smaller-sized wind energy projects in Hawaii.

After careful analysis, it became clear to First Wind that the feed-in tariff ("FIT") proposal that has been proposed and submitted in this docket by Hawaiian Electric Company, Inc. ("HECO"), Maui Electric Company, Limited ("MECO") and Hawaii Electric Light Company, Inc. ("HELCO") (collectively, the "HECO Companies") and the Division of Consumer Advocacy, Department of Commerce and Consumer Affairs (the "Consumer Advocate"), filed with the Commission on December 23, 2008, would not accommodate the types and sizes of wind energy projects that First Wind has developed, and is developing, in Hawaii.¹ Hence, the FIT as proposed would not apply to First Wind's wind energy projects,

¹ See, *Joint Proposal on Feed-In Tariffs of the HECO Companies and Consumer Advocate* (at 9-10) sets the capacity for the eligible projects for the first phase of the plan to be as follows:

Technology	Capacity	Island
Photovoltaic (PV)	up to and including 500 kW	Oahu
	up to and including 250 kW	Maui, Hawaii
	up to and including 100 kW	Lanai, Molokai
Concentrated Solar Power (CSP)	up to and including 500 kW	Oahu, Maui, Hawaii
	up to and including 100 kW	Lanai, Molokai
In-line hydro	up to and including 100 kW	Oahu, Maui, Lanai, Molokai, Hawaii

although First Wind remains very interested in the ultimate form of FIT that the Commission may ultimately adopt, particularly with respect to matters such as potential curtailment policies and procedures that could affect the operations of large-scale wind energy projects of First Wind.

As explained in First Wind's initial Statement of Position, the proposed FIT, at least initially, will center on generation units of considerably smaller generating capacity than First Wind's projects. Therefore, at this point, the design, total development cost, development requirements, financing, energy pricing, performance requirements, location and other characteristics of each First Wind project are unique to that project and can effectively only be covered in extensively negotiated power purchase arrangements and interconnection arrangements with the utility concerned. Such projects would not be amenable to the FIT arrangements as outlined in the proposal.

II. ISSUES OF POTENTIAL CONCERN TO FIRST WIND

Nonetheless, First Wind continues to believe that further consideration of the FIT proposal, and the possible introduction of other FIT alternate proposals, in this docket, might raise issues that could affect the electric utilities' operations, and operational limitations, with respect to power purchase arrangements of as-available electric energy generated by large-scale wind energy projects. As previously noted by First Wind, these issues could involve, among other matters, utility infrastructure improvements, retirement of older fossil fuel (diesel and oil/steam) electric energy generating units, operational and control improvements to existing generating units, and modernization to biofuels combustion turbine/combined cycle generation for faster system response to allow more penetration of renewable energy on the utility's grid

Wind	up to and including 100 kW	Oahu, Maui, Lanai, Molokai, Hawaii
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system, the degree of curtailments of the delivery of renewable energy by the utilities, and other issues not yet identified.

Further, First Wind believes that the State of Hawaii's initiatives to reduce its dependency upon fossil fuels, further and rapidly develop its indigenous renewable energy resources, and increase energy efficiencies, as such goals are embodied in State legislation and in the Hawaii Clean Energy Initiative, should continue to be vigorously pursued. In this respect, First Wind believes that the expansion of any finally-adopted FIT program in order to incorporate utility-scale wind energy projects would further enhance these goals, and First Wind strongly encourages the Commission to examine the expansion of the FIT program to include utility-scale renewable energy projects.

First Wind may desire to supplement its Final Statement of Position on specific issues if and should they arise in this docket.

Respectfully submitted:

DATED: Honolulu, Hawaii, March 30, 2009.



GERALD A. SUMIDA
TIM LUI-KWAN
NATHAN C. NELSON

Attorneys for Hawaii Holdings, LLC,
Doing Business as First Wind Hawaii

CERTIFICATE OF SERVICE

I hereby certify that I have this date served copies of the foregoing motion upon the following parties, by causing copies hereof to be hand delivered or electronically transmitted to each such party as follows:

CATHERINE P. AWAKUNI
EXECUTIVE DIRECTOR
DEPT OF COMMERCE & CONSUMER AFFAIRS
DIVISION OF CONSUMER ADVOCACY
P.O. Box 541
Honolulu, Hawaii 96809

2 Copies
Via Hand Delivery

DEAN MATSUURA
MANAGER
REGULATORY AFFAIRS
HAWAIIAN ELECTRIC COMPANY, INC.
P.O. Box 2750
Honolulu, HI 96840-0001

Electronically Transmitted

JAY IGNACIO
PRESIDENT
HAWAII ELECTRIC LIGHT COMPANY, INC.
P. O. Box 1027
Hilo, HI 96721-1027

Electronically Transmitted

EDWARD L. REINHARDT
PRESIDENT
MAUI ELECTRIC COMPANY, LTD.
P. O. Box 398
Kahului, HI 96732

Electronically Transmitted

THOMAS W. WILLIAMS, JR., ESQ.
PETER Y. KIKUTA, ESQ.
DAMON L. SCHMIDT, ESQ.
GOODSILL, ANDERSON QUINN & STIFEL
Alii Place, Suite 1800
1099 Alakea Street
Honolulu, Hawaii 96813

Electronically Transmitted

ROD S. AOKI, ESQ.
ALCANTAR & KAHL LLP
120 Montgomery Street
Suite 2200
San Francisco, CA 94104

Electronically Transmitted

MARK J. BENNETT, ESQ.
DEBORAH DAY EMERSON, ESQ.
GREGG J. KINKLEY, ESQ.
DEPARTMENT OF THE ATTORNEY GENERAL
425 Queen Street
Honolulu, Hawaii 96813
Counsel for DBEDT

Electronically Transmitted

CARRIE K.S. OKINAGA, ESQ.
GORDON D. NELSON, ESQ.
DEPARTMENT OF THE CORPORATION COUNSEL
CITY AND COUNTY OF HONOLULU
530 South King Street, Room 110
Honolulu, Hawaii 96813

Electronically Transmitted

LINCOLN S.T. ASHIDA, ESQ.
WILLIAM V. BRILHANTE JR., ESQ.
MICHAEL J. UDOVIC, ESQ.
DEPARTMENT OF THE CORPORATION COUNSEL
COUNTY OF HAWAII
101 Aupuni Street, Suite 325
Hilo, Hawaii 96720

Electronically Transmitted

MR. HENRY Q CURTIS
MS. KAT BRADY
LIFE OF THE LAND
76 North King Street, Suite 203
Honolulu, Hawaii 96817

Electronically Transmitted

MR. CARL FREEDMAN
HAIKU DESIGN & ANALYSIS
4234 Hana Highway
Haiku, Hawaii 96708

Electronically Transmitted

MR. WARREN S. BOLLMEIER II
PRESIDENT
HAWAII RENEWABLE ENERGY ALLIANCE
46-040 Konane Place, #3816
Kaneohe, Hawaii 96744

Electronically Transmitted

DOUGLAS A. CODIGA, ESQ.
SCHLACK ITO LOCKWOOD PIPER & ELKIND
TOPA FINANCIAL CENTER
745 Fort Street, Suite 1500
Honolulu, Hawaii 96813
Counsel for BLUE PLANET FOUNDATION

Electronically Transmitted

MR. MARK DUDA
PRESIDENT
HAWAII SOLAR ENERGY ASSOCIATION
P.O. Box 37070
Honolulu, Hawaii 96837

Electronically Transmitted

MR. RILEY SAITO
THE SOLAR ALLIANCE
73-1294 Awakea Street
Kailua-Kona, Hawaii 96740

Electronically Transmitted

JOEL K. MATSUNAGA
HAWAII BIOENERGY, LLC
737 Bishop Street, Suite 1860
Pacific Guardian Center, Mauka Tower
Honolulu, Hawaii 96813

Electronically Transmitted

KENT D. MORIHARA, ESQ.
KRIS N. NAKAGAWA, ESQ.
SANDRA L. WILHIDE, ESQ.
MORIHARA LAU & FONG LLP
841 Bishop Street, Suite 400
Honolulu, Hawaii 96813
Counsel for HAWAII BIOENERGY, LLC
Counsel for MAUI LAND & PINEAPPLE COMPANY, INC.

Electronically Transmitted

MR. THEODORE E. ROBERTS
SEMPRA GENERATION
101 Ash Street, HQ 12
San Diego, California 92101

Electronically Transmitted

MR. CLIFFORD SMITH
MAUI LAND & PINEAPPLE COMPANY, INC.
P.O. Box 187
Kahului, Hawaii 96733

Electronically Transmitted

MR. ERIK KVAM
CHIEF EXECUTIVE OFFICER
ZERO EMISSIONS LEASING LLC
2800 Woodlawn Drive, Suite 131
Honolulu, Hawaii 96822

Electronically Transmitted

JOHN N. REI
SOPOGY INC.
2660 Waiwai Loop
Honolulu, Hawaii 96819

Electronically Transmitted

MR. CHRIS MENTZEL
CHIEF EXECUTIVE OFFICER
CLEAN ENERGY MAUI LLC
619 Kupulau Drive
Kihei, Hawaii 96753

Electronically Transmitted

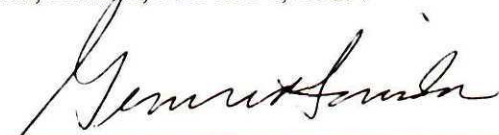
MR. HARLAN Y. KIMURA, ESQ.
CENTRAL PACIFIC PLAZA
220 South King Street, Suite 1660
Honolulu, Hawaii 96813
Counsel for TAWHIRI POWER LLC

Electronically Transmitted

SANDRA-ANN Y.H. WONG, ESQ.
ATTORNEY AT LAW, A LAW CORPORATION
1050 Bishop Street, #514
Honolulu, HI 96813
Counsel for ALEXANDER & BALDWIN, INC.,
Through its division, HAWAIIAN COMMERCIAL & SUGAR COMPANY

Electronically Transmitted

DATED: Honolulu, Hawaii, March 30, 2009.



GERALD A. SUMIDA
TIM LUI-KWAN
NATHAN C. NELSON

Attorneys for Hawaii Holdings, LLC,
Doing Business as First Wind Hawaii

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